

# TSE Urgent Notice



Jan. 30, 2026  
Listing Department  
Tokyo Stock Exchange, Inc.

## Continued Designation as Security on Special Alert (Follow-Up Period)

The following issue will continue to be designated as a Security on Special Alert.

\* This decision is based on the results of the examination by Japan Exchange Regulation.

1. Issue Name	Wellco Holdings Corporation stock (Code: 7831, Market Segment: Standard Market)
2. Date of Decision	Jan. 30, 2026 (Fri.)
Reason (Related Clause)	Due to a listed company that has submitted a Written Confirmation of Internal Management System falling under a case prescribed in the Enforcement Rules for Securities Listing Regulations where, although the Exchange deems that the internal management system, etc. is adequately developed and implemented, its business continuity and profitability are not ensured. (Securities Listing Regulations, Rule 503, Paragraph 4, Item (2), b, (a) Enforcement Rules for Securities Listing Regulations, Rule 503, Paragraph 2, Item (1), b)
3. Details of Reason	TSE designated the stock of Wellco Holdings Corporation (hereinafter, "the Company") as a Security on Special Alert on Oct. 26, 2024, as it deemed that improvements to the Company's internal management system, etc. were highly necessary. Upon confirming the contents of the Written Confirmation of Internal Management System submitted to TSE by the Company after one (1) year had passed since said designation, it was recognized that the Company's internal management system was appropriately developed and implemented, including that the Company had taken the following actions with respect to the improvement plan disclosed on Jan. 24, 2025: <ul style="list-style-type: none"><li>- The founder and director who was alleged to have instructed the misconduct resigned, thereby eliminating his influence over the Company's management and business operations;</li><li>- The management team in place at the time of the misconduct was replaced, and a new management structure that places emphasis on compliance established;</li><li>- The mutual checking and monitoring functions among directors were functioning properly through measures such as the establishment of an Internal Audit Office directly under the Audit and Supervisory Committee and the involvement of outside directors.</li></ul>

However, the Company recorded a consolidated ordinary loss of JPY 600 million for the fiscal year ending Oct. 2025 and thus falls under a case specified by the Enforcement Rules for Securities Listing Regulations as one where business continuity and profitability are not ensured, as it does not satisfy the requirement that the profits in the last one (1) year be JPY 100 million or more. In light of the foregoing, TSE has decided to continue the designation of the Company's stock as a Security on Special Alert and to continue examining the development and implementation status of its internal management system, etc. (a Follow-Up Period).

(Note)

With respect to the Company's stock, TSE will confirm the contents of another Written Confirmation of Internal Management System to be submitted by the Company within three (3) months from the last day of the business year that includes the date of this decision (Oct. 31, 2026), and TSE will take the following actions:

- If the internal management system, etc. is still deemed to be appropriately developed and implemented, and the Company does not fall under a case where a Follow-Up Period is necessary (see note), TSE will remove the designation as a Security on Special Alert (De-designation).
- If the internal management system, etc. is still deemed to be appropriately developed and implemented, but the Company falls under a case where a Follow-Up Period is necessary (see note), TSE will continue the designation as a Security on Special Alert (Extension of Designation).
- If the internal management system, etc. is not deemed to be appropriately developed and implemented, TSE will delist the Company.

(note)

For the purposes of the above, a “case where a Follow-Up Period is necessary” refers to cases where the Company has not ensured business continuity and profitability, or cases where it does not meet the continued listing criteria and is within an improvement period.

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